

Module 1.5

Evaluate the Cost of Living



PERSONAL FINANCIAL PLANNING FOR TRANSITION

Financial Planning for your Future



Learning Objectives

- Evaluate costs of moving to the new location
- Calculate housing costs including rental vs. home ownership
- Evaluate your relocation needs and seek assistance at your installation Family Center regarding your move

Cost of Relocation

How much will a relocation cost you?

- **Moving truck, supplies, people**
- **Transportation (gas, car repairs, lodging, food)**
- **Down payment or first/last month rent**
- **Costs to set up residence (paint, curtains, tools, state vehicle registration, etc.)**
- **Utility deposits**
- **Family expenses (children or pets)**

Rent vs. Home Ownership

Renting

makes sense if you...

Need to determine long-term desirability

Move frequently or suddenly

Are low on cash (down payment, taxes, closing costs)

Don't have time/desire/funds for maintenance/improvements.

Don't want to risk loss of equity

Not ready for tax advantages

Don't want to be a landlord

Timing just isn't right for you to buy!

Buying

makes sense if you...

Have money for the larger initial investment

Are ready for stability

Desire a sense of community

Can financially support two homes

Like to remodel/fix/personalize

Can financially manage fluctuating expenses

Can be a landlord

Timing is right for you to buy!

Renting vs. Home Ownership

Relocation Resources

Transportation Management Office (TMO) and Personal Financial Manager (PFMs) can assist with information regarding:

- **Entitlements**
- **Allowances**
- **Needs**
- **Costs**

Summary

- **Relocation expenses to consider**
- **Calculate housing costs**
 - Rental vs. home ownership
- **Mortgage concerns and resources**
- **Installation Resources**
 - TMO, PFM